

**LOUISVILLE METRO AIR POLLUTION CONTROL DISTRICT  
PRELIMINARY REGULATORY IMPACT ASSESSMENT**

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**REGULATION 1.02 VERSION 13**  
*Definitions*

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**FEBRUARY 20, 2013**

**Purpose of the Draft Proposed Action:**

On July 24, 2012, the District issued an advance Notice of Proposed Rulemaking (NPR) describing proposed revisions to the District's current Part 2 permitting regulations, including Regulation 1.02, *Definitions*.

As explained in the NPR, the District has been exploring a variety of approaches that could be used to streamline its construction and operating permit programs. In general, the draft amendments to Part 2 propose changing the way the District regulates smaller emitting sources in several categories, clarifying existing text, and removing redundant or outdated provisions.

If adopted by the Board, Regulation 1.02 Version 13 will be submitted to the U.S. Environmental Protection Agency for inclusion in the State Implementation Plan.

**Scope of the Draft Proposed Amendments:**

The District implements the federal Clean Air Act in Louisville by delegation from the U. S. Environmental Protection Agency (EPA) and in partnership with the Kentucky Division for Air Quality through a grant of concurrent jurisdiction.<sup>1</sup>

As part of its delegation, the District operates a sophisticated network of air monitoring sites and modeling systems for particles, pollutant gases, and meteorology. The District is the permitting authority for all federally required permitting programs, including the Title V operating permit program and the New Source Review (NSR) and Prevention of Significant Deterioration (PSD) pre-construction permitting programs, and minor source NSR. The District also implements the stringent local Strategic Toxic Air Reduction (STAR) program for controlling air toxics from major sources, and the federal Risk Management Plan (RMP) program for facilities with certain types of toxic chemicals on site. In combination, these programs regulate emissions of air pollutants, including nitrogen oxides, carbon monoxide, particulate matter, volatile organic

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<sup>1</sup> KRS 224.20-130.

compounds (VOCs), sulfur dioxide, asbestos and other air toxics, from stationary sources to ensure that Louisville Metro makes steady progress toward achieving and maintaining federal and local air quality standards.

Proposed amendments to Regulation 1.02 add terms necessary to implement the District's proposed Part 2 permit improvements and fees, revise some of the definitions for clarity, and remove redundant and outdated provisions. The proposed changes include:

- Adding new definitions for “administrative,” “minor,” and “significant” permit amendments to support the proposed changes to Regulation 2.08, including a proposed fee structure for FY 2014 that incorporates operational and graduated fees depending on the source type and service provided. These terms, which are based on the definitions in Regulation 2.16 for Title V sources, will apply to sources operating under Regulations 2.02, 2.03, and 2.18.
- Clarifying the term “construction” by deleting the term “modification,” which is defined elsewhere in Regulation 1.02.
- Revising the term “major source” by adding references to “a group of stationary sources” consistent with the same definition in Regulation 2.16.
- Defining a “twelve-month rolling period” to clarify the period to be calculated.
- Adding definitions for “regulated air pollutant,” “responsible official,” and “trivial” and “insignificant” activities,” based on the definitions in Regulation 2.16 for Title V sources, for sources operating under Regulations 2.02 and 2.03.
- Adding a definition for “minor source.”

#### **Estimated Costs and Savings:**

There are no costs or savings associated with the draft revisions to Regulation 1.02.

#### **Feasibility of All Alternatives:**

Although the District considered not amending Regulation 1.02, the proposed changes are necessary to implement the District's Part 2 permit improvements, including changes to Regulation 2.08. These improvements streamline the District's permitting process and are intended to reduce permitting burdens on small stationary sources, enhance the District's ability to meet its delegated and local regulatory obligations, and raise necessary revenue.

#### **Comparison with Any Minimum or Uniform Standards:**

The proposed regulation is consistent with the District's permitting regulations for minor source, FEDOOP and Title V sources and the Clean Air Act.

#### **Report on Public Outreach Efforts:**

This draft proposed Regulation 1.02 Version 13 was proposed for informal external review on December 10, 2012 and formal public comment on February 20, 2013, and sent to: all members

of the Air Pollution Control Board; all persons who have requested to be notified of proposed changes to any District regulations; EPA Region 4; and the Kentucky Division for Air Quality.

The informal public comment period ended on January 24, 2013. The public will have an opportunity to comment during the 30-day public comment period; at a meeting of the appropriate committee of the Air Pollution Control Board; and at a public hearing prior to consideration by the full Board.